

UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF TEXAS FORT WORTH DIVISION				Voluntary Petition	
Name of Debtor (if individual, enter Last, First, Middle): Sports Constructor's, Inc.			Name of Joint Debtor (Spouse) (Last, First, Middle):		
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):			All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):		
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all): 20-5193872			Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all):		
Street Address of Debtor (No. and Street, City, and State): 7708 Wyatt Drive Fort Worth, TX			Street Address of Joint Debtor (No. and Street, City, and State):		
ZIP CODE 76108			ZIP CODE		
County of Residence or of the Principal Place of Business: Tarrant			County of Residence or of the Principal Place of Business:		
Mailing Address of Debtor (if different from street address):			Mailing Address of Joint Debtor (if different from street address):		
ZIP CODE			ZIP CODE		
Location of Principal Assets of Business Debtor (if different from street address above):					
ZIP CODE					
Type of Debtor (Form of Organization) (Check one box.) <input type="checkbox"/> Individual (includes Joint Debtors) See Exhibit D on page 2 of this form. <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)		Nature of Business (Check one box.) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other <hr/> Tax-Exempt Entity (Check box, if applicable.) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).		Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box.) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <hr/> Nature of Debts (Check one box.) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.	
Filing Fee (Check one box.) <input checked="" type="checkbox"/> Full Filing Fee attached. <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.			Check one box: Chapter 11 Debtors <input type="checkbox"/> Debtor is a small business debtor as defined by 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000. <hr/> Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).		
Statistical/Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors. <hr/> Estimated Number of Creditors <input type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input checked="" type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> Over 100,000 <hr/> Estimated Assets <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input checked="" type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion <hr/> Estimated Liabilities <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input checked="" type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion					THIS SPACE IS FOR COURT USE ONLY

Voluntary Petition <i>(This page must be completed and filed in every case.)</i>		Name of Debtor(s): Sports Constructor's, Inc.	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)			
Location Where Filed: None	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor (If more than one, attach additional sheet.)			
Name of Debtor:	Case Number:	Date Filed:	
District:	Relationship:	Judge:	
Exhibit A (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.) <input checked="" type="checkbox"/> Exhibit A is attached and made a part of this petition.		Exhibit B (To be completed if debtor is an individual whose debts are primarily consumer debts.) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b). <div style="text-align: right;"> X _____ Date </div>	
Exhibit C			
Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety? <input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No.			
Exhibit D			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.) <input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition. If this is a joint petition: <input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
Information Regarding the Debtor - Venue (Check any applicable box.)			
<input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District. <input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District. <input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
Certification by a Debtor Who Resides as a Tenant of Residential Property (Check all applicable boxes.)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.) <div style="text-align: right;"> _____ (Name of landlord that obtained judgment) </div> <div style="text-align: right;"> _____ (Address of landlord) </div>			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and <input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition. <input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).			

Voluntary Petition*(This page must be completed and filed in every case)*Name of Debtor(s): **Sports Constructor's, Inc.****Signatures****Signature(s) of Debtor(s) (Individual/Joint)**

I declare under penalty of perjury that the information provided in this petition is true and correct.

[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.

[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____

X _____

Telephone Number (if not represented by attorney)

Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

☐ I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.

☐ Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X _____

(Signature of Foreign Representative)

(Printed Name of Foreign Representative)

Date

Signature of Attorney*

X _____

Michael A. McConnell

Bar No. **13447300**

Kelly Hart & Hallman LLP
201 Main Street
Suite 2500
Fort Worth, TX 76102

Phone No. **(817) 332-2500** Fax No. **(817) 878-9280**

August 27, 2009

Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

Sports Constructor's, Inc.

X Michael Gregory
Signature of Authorized Individual

Michael Gregory

Printed Name of Authorized Individual

Executive Vice President/COO

Title of Authorized Individual

August 27, 2009

Date

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

Printed Name and title, if any, of Bankruptcy Petition Preparer

Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social-Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

Address

X _____

Date

Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

SPORTS CONSTRUCTOR'S, INC.
a Texas corporation

**WRITTEN CONSENT OF THE SOLE MEMBER
OF THE BOARD OF DIRECTORS**

Dated as of August 26, 2009 (the "Effective Date")

The sole member of the board of directors (the "Board") of Sports Constructor's, Inc., a Texas corporation (the "Company"), acting herein pursuant to Section 6.201 of the Texas Business Organizations Code, does, by this instrument, consent to, approve of and adopt the following resolutions in lieu of a special meeting:

WHEREAS, the Board deems it advisable and in the best interest of the Company that a voluntary petition for chapter 11 relief (the "Petition") be filed on behalf of the Company under the provisions of chapter 11 of title 11, United States Code (the "Bankruptcy Code") for the purpose of reorganizing the Company's financial affairs; and

WHEREAS, in connection therewith, the Board deems it advisable and in the best interest of the Company that the Company enter into that certain Asset Purchase Agreement (the "Asset Purchase Agreement"), to be entered into on or about August 26, 2009, by and between Paragon Holdings, Inc., a Texas corporation ("Paragon") and the Company, substantially in the form attached hereto and incorporated herein as Exhibit A, and that certain Debtor-In-Possession Credit and Security Agreement (the "DIP Credit Agreement"), to be entered into on or about August 26, 2009, by and between Paragon and the Company, substantially in the form attached hereto and incorporated herein as Exhibit B.

NOW, THEREFORE, BE IT

RESOLVED, that each officer of the Company be, and each hereby is, authorized, directed and empowered on behalf of and in the name of the Company (i) to execute and verify the Petition as well as all other documents ancillary thereto or contemplated thereby and to cause the Petition and such other appropriate documents to be filed with the United States Bankruptcy Court for the Northern District of Texas and to make or cause to be made prior to execution thereof any modifications to the Petition and all other documents ancillary thereto or contemplated thereby, (ii) to execute, verify and file or cause to be filed all petitions, schedules, lists, motions, applications and other papers or documents (including debtor in possession loan agreements and all first day motions and applications) necessary or desirable in connection with the foregoing, and (iii) to execute and verify any and all documents necessary or appropriate in connection therewith in such form or forms as the officer executing or verifying the same deems necessary or appropriate in his or her sole discretion; and be it

FURTHER RESOLVED, that each officer of the Company be, and each hereby is, authorized, directed and empowered on behalf of and in the name of the Company to file the Petition and to perform any and all such acts as are reasonable, advisable, expedient, convenient, proper or necessary to effect any of the foregoing; and be it

FURTHER RESOLVED, that the law firm of Kelly Hart & Hallman LLP be, and it hereby is, authorized, directed and empowered to represent the Company, as debtor and debtor in possession, in connection with any case commenced by or against the Company under the Bankruptcy Code; and be it

FURTHER RESOLVED, that each officer of the Company be, and each hereby is, authorized, directed and empowered on behalf of and in the name of the Company to retain on behalf of the Company such other attorneys, financial advisors, accountants and other professional advisors as such officer so acting shall deem necessary or appropriate in his or her sole discretion; and be it

FURTHER RESOLVED, that each officer of the Company be, and each hereby is, authorized, directed and empowered from time to time on behalf of and in the name of the Company to take such actions and execute and deliver such certificates, instruments, guaranties, notices and documents as may be required or as such officer may deem necessary, advisable or appropriate to carry out and perform the obligations of the Company under the Bankruptcy Code; all such actions to be performed in such manner, and all such certificates, instruments, notices and documents to be executed and delivered in such form, as the officer performing or executing the same shall, with the advice of counsel, approve the performance or execution thereof by such officer to be conclusive evidence of the approval thereof by such officer and by the Company; and be it

FURTHER RESOLVED, that the Board has (i) determined that the Asset Purchase Agreement, including the purchase of the Purchased Assets (as defined in the Asset Purchase Agreement) by Paragon, are advisable, fair to and in the best interest of those persons and entities to whom the Board owes fiduciary duties under Applicable Law (as defined in the Asset Purchase Agreement), (ii) determined that an immediate sale of such Purchased Assets pursuant to Section 363 of the Bankruptcy Code is necessary and urgent as the value of such Purchased Assets, and, therefore, the value ultimately available to the creditors and equityholders of the Company, is rapidly deteriorating, and (iii) determined that the Purchase Price (as defined in the Asset Purchase Agreement) represents a fair and reasonable value for such Purchased Assets in light of the circumstances existing as of the date hereof; and be it

FURTHER RESOLVED, that the form, terms and provisions of the Asset Purchase Agreement, and all the transactions contemplated thereby, be submitted to the sole shareholder of the Company (the "Shareholder") for its consideration and approval; and be it

FURTHER RESOLVED, that the form, terms and provisions of the DIP Credit Agreement, and all the transactions contemplated thereby, be submitted to the Shareholder for its consideration and approval; and be it

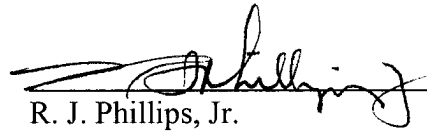
FURTHER RESOLVED, that, upon approval and adoption of the Asset Purchase Agreement, the DIP Credit Agreement and all the transactions contemplated by the Asset Purchase Agreement and the DIP Credit Agreement by the Shareholder, (i) the Asset Purchase Agreement, the DIP Credit Agreement and all the transactions contemplated by the Asset Purchase Agreement and the DIP Credit Agreement shall be authorized, adopted, certified, acknowledged and approved in all respects, (ii) each officer of the Company shall be authorized, directed and empowered on behalf of and in the name of the Company to execute and deliver, and perform all acts and all things contemplated by the Asset Purchase Agreement, the DIP Credit Agreement and all documents, instruments, certificates and all other agreements contemplated by the Asset Purchase Agreement and the DIP Credit Agreement, and such changes in the terms and conditions thereof, and such amendments, modifications, and supplementations thereto, as the officer executing the same may, in his or her sole discretion, deem necessary or appropriate, his or her signature thereon being conclusive evidence that he or she did so deem the same to be necessary or appropriate and (iii) any and all actions taken by the officers and employees of the Company in furtherance thereof prior to this date be, and hereby are, adopted, ratified and confirmed and approved in all respects; and be it

FURTHER RESOLVED, that in addition to the specific authorizations heretofore conferred upon each officer of the Company, each officer of the Company is hereby authorized, directed and empowered, in the name of and on behalf of the Company, to do or cause to be done all such further acts and to execute and deliver all such instruments, certificates, agreements and documents as they or any of them may, with the advice of counsel, consider necessary, advisable or appropriate to enable the Company to carry out the intent and to accomplish the purpose of the foregoing resolutions; and be it

FURTHER RESOLVED, that all actions heretofore taken by any officer of the Company in connection with any of the foregoing resolutions be, and each hereby is, adopted, ratified and confirmed and approved in all respects.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned, being the sole member of the Board of Directors of the Sports Constructors, Inc., has duly executed this written consent to be effective as of the Effective Date.



R. J. Phillips, Jr.